

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0724H.01I
Bill No.: HB 1273
Subject: Education, Elementary and Secondary; Department of Elementary and Secondary
Education; Athletics
Type: Original
Date: April 15, 2025

Bill Summary: This proposal prohibits public school districts and charter schools from membership in or payment of dues to certain statewide activities associations.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on FTE	0	0	0

- ☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- ☐ Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Local Government*	Unknown to <u>(Unknown)</u>	Unknown to <u>(Unknown)</u>	Unknown to <u>(Unknown)</u>

*Unknown savings from no longer paying membership dues if prohibited from participating in a statewide activities association to unknown loss of revenue if no longer hosting events associated with a statewide activities association.

FISCAL ANALYSIS

ASSUMPTION

§160.097 – Statewide Activities Associations

Officials from the **Department of Elementary and Secondary Education** assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for their agency.

Officials from **East Buchanan Co. C-1 School District** assume although difficult to quantify in dollars, this would certainly have an impact on their district. The statewide activities association that they are a member of does allow competition between public and private schools. Unless they change their stance, the school would not be able to be a part of that organization under this bill. This would create a situation in which they would need to find a new governing body to establish guidelines, competitive tournaments, etc. This would certainly have an impact on the administrative capacity that they have to govern their school and activities.

In response to somewhat similar legislation, SB 130 (2019), officials from the **Sherwood-Cass R-VIII School District** assumed the cost to the school districts would be the loss of revenue from hosting competitions, concession sales, and miscellaneous revenues through fund-raising and other methods.

In response to a somewhat similar legislation, SB 130 (2019), officials from the **Wellsville-Middletown R-1 School District** assumed the proposal will have no fiscal impact on their organization.

Oversight notes, based on the Missouri State High School Activities Association (MSHSAA) website, currently they have 750 member schools both public and private. Under MSHSAA guidelines private and public schools are allowed to play against each other. Furthermore, the MSHSAA membership fee for schools is a fixed amount per year, but the exact figure may vary depending on the school's classification (based on enrollment). In the 2023-2024 school year, the fee was \$12,855 for K-5 schools, \$12,702 for 6-8 schools, and \$13,377 for 9-12 schools.

Oversight notes that MSHSAA is the sole governing body for high school activities in Missouri. If schools are no longer allowed to be members of MSHSAA then there could be savings to schools which no longer would pay MSHSAA fees. Therefore, Oversight will reflect a zero to unknown savings for school districts and charter schools in the fiscal note.

Oversight assumes some districts may experience a negative fiscal impact due to loss of revenue from hosting competitions, concession sales, and fund-raising. Oversight assumes there would be a loss in revenue to schools as they would be prohibited from participating in the statewide activities association events. Therefore, Oversight will reflect a zero to unknown loss in revenue to school districts and charter schools in the fiscal note.

Oversight received a limited number of responses from school districts and charter schools related to the fiscal impact of this proposal. Oversight has presented this fiscal note on the best current information available. Upon the receipt of additional responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval to publish a new fiscal note.

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
SCHOOL DISTRICTS AND CHARTER SCHOOLS			
<u>Savings</u> – prohibition of participation in a statewide activities association (no member fee being paid) §160.097	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Loss of Revenue</u> – prohibition of participation in a statewide activities association - §167.790	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
ESTIMATED NET EFFECT ON SCHOOL DISTRICTS AND CHARTER SCHOOLS	Unknown to (Unknown)	Unknown to (Unknown)	Unknown to (Unknown)

FISCAL IMPACT – Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This bill prevents public schools and charter schools in Missouri from being a member of or providing dues to any statewide activities association that allows post-season or tournament-style athletic competition between public and private schools.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education
East Buchanan Co. C-I School District
High Point R-III School District
Sherwood-Cass R-VIII School District
Springfield Public Schools
Lee's Summit R-7 School District
Wellsville-Middletown R-1 School District
Mississippi County Recorder of Deeds



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April 15, 2025



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